## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6039 NOTE PREPARED:** Nov 2, 2007

BILL NUMBER: SB 69 BILL AMENDED:

**SUBJECT:** Parental Leave for School Conferences.

FIRST AUTHOR: Sen. Errington BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$ 

<u>Summary of Legislation:</u> This bill requires the employer of a parent to provide paid leave to the parent for school conferences when the conferences cannot be scheduled during the employee's nonworking hours. The bill provides for enforcement by the Commissioner of Labor.

Effective Date: July 1, 2008.

**Explanation of State Expenditures:** *State Employment:* The bill will require firms with over 20 employees to allow certain employees up to 20 hours per year of paid leave to attend parental conferences or other school activities directly related to the education of the employee's child that cannot be scheduled during hours in which the employee is not working. The impact of this provision on the state as an employer would be minor.

State Department of Labor: Under the bill, the Department of Labor would be required to develop procedures and forms related to the notification of the opportunity for employees to take paid parental leave for school conferences. Additionally, the Department is charged with investigating and addressing complaints filed by persons who allege a grievance related to the paid leave requirements. The Department of Labor may issue reasonable orders to remedy the violation of the paid leave time requirement. The Department may also require the violator to pay the complainant a civil penalty of up to \$1,000.

Expanding the responsibilities of the Department of Labor to include the oversight of paid parental leave for school conferences will increase the Department's administrative burden. Any impact on the Department will depend, in part, on the number of complaints filed by persons who allege a grievance related to the leave requirements.

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The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. In FY 2007, the Department of Labor reverted \$648,636 to the state General Fund. As of October 22, 2007, the Department had 22 vacant positions valued at \$706,472. Of the 22 positions, 7 had been vacant for more than two years. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions. The bill does not contain an appropriation.

## **Explanation of State Revenues:**

<u>Explanation of Local Expenditures:</u> Municipal corporations are also required to provide paid leave for employees to attend parental conferences or other school activities that cannot be scheduled during hours in which the employee is not working.

Municipal corporation includes a unit, school corporation, library district, local housing authority, fire protection district, public transportation corporation, local building authority, local hospital authority or corporation, local airport authority, special service district, or other separate local governmental entity that may sue and be sued.

## **Explanation of Local Revenues:**

State Agencies Affected: All; Department of Labor.

**Local Agencies Affected:** Municipal corporations.

**Information Sources:** 

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